



Audit New Zealand

REPORT OF THE AUDITOR-GENERAL

TO THE READERS OF THE FINANCIAL STATEMENTS OF CHRISTCHURCH CITY COUNCIL AND GROUP FOR THE YEAR ENDED 30 JUNE 2002

We have audited the financial statements on pages 18 to 89. The financial statements provide information about the past financial and service performance of Christchurch City Council and group and its financial position as at 30 June 2002. This information is stated in accordance with the accounting policies set out on pages 22 to 25.

Responsibilities of the Council

The Local Government Act 1974 requires the Council to prepare financial statements in accordance with generally accepted accounting practice in New Zealand that fairly reflect the financial position of Christchurch City Council and group as at 30 June 2002 and the results of its operations and cash flows and service performance achievements for the year ended on that date.

Auditor's Responsibilities

Section 15 of the Public Audit Act 2001 requires the Auditor-General to audit the financial statements presented by the Council. It is the responsibility of the Auditor-General to express an independent opinion on the financial statements and to report that opinion to you.

The Auditor-General has appointed Devan Menon of Audit New Zealand to undertake the audit.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- ▲ the significant estimates and judgements made by the Council in the preparation of the financial statements; and
- ▲ whether the accounting policies are appropriate to Christchurch City Council and group's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with the Auditing Standards published by the Auditor-General, which incorporate the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have carried out audit related and assurance assignments for subsidiaries within the group. These involved issuing an audit certificate pursuant to the Electricity (Information Disclosure) Regulations 1999, an audit certificate pursuant to the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999 and the review of a margin sharing arrangement. Other than these assignments and in our capacity as auditor acting on behalf of the Auditor-General, we have no other relationship with or interests in Christchurch City Council or its subsidiaries.

Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion the financial statements of Christchurch City Council and group on pages 18 to 89:

- ▲ comply with generally accepted accounting practice in New Zealand; and
- ▲ fairly reflect:

Christchurch City Council and group's financial position as at 30 June 2002;

the results of its operations and cash flows for the year ended on that date; and

the service performance achievements in relation to the performance targets and other measures adopted for the year ended on that date.

Our audit was completed on 28 November 2002 and our unqualified opinion is expressed as at that date.



Devan Menon
Audit New Zealand
On behalf of the Controller and Auditor-General
Christchurch, New Zealand

